

**541A.1 Definitions.**

For the purposes of [this chapter](#), unless the context otherwise requires:

1. “*Account holder*” means an individual who is the owner of an individual development account.

2. “*Charitable contributor*” means a nonprofit association described in section 501(c)(3) of the Internal Revenue Code which makes a deposit to an individual development account and which is exempt from taxation under section 501(a) of the Internal Revenue Code.

3. “*Department*” means the department of health and human services.

4. “*Director*” means the director of health and human services.

5. “*Federal poverty level*” means the first poverty income guidelines published in the calendar year by the United States department of health and human services.

6. “*Financial institution*” means a financial institution approved by the director as an investment mechanism for individual development accounts.

7. “*Household income*” means the annual household income of an account holder or prospective account holder, as determined in accordance with rules adopted by the director.

8. “*Individual contributor*” means an individual who makes a deposit to an individual development account and is not the account holder or a charitable contributor.

9. “*Individual development account*” means either of the following:

a. A financial instrument that is certified to have the characteristics described in [section 541A.2](#) by the operating organization.

b. A financial instrument that is certified by the operating organization to have the characteristics described in and funded by a federal individual development account program under which federal and state funding contributed to match account holder deposits is deposited by an operating organization in accordance with federal law and regulations, and which includes but is not limited to any of the programs implemented under the following federal laws:

(1) The federal Personal Responsibility and Work Opportunity Act of 1996, 42 U.S.C. §604(h).

(2) The federal Assets for Independence Act, Pub. L. No. 105-285, Tit. IV.

10. “*Operating organization*” means an agency selected by the department for involvement in operating individual development accounts directed to a specific target population.

11. “*Source of principal*” means any of the sources of a deposit to an individual development account under [section 541A.2, subsection 2](#).

93 Acts, ch 97, §16; 94 Acts, ch 1114, §23; 2002 Acts, ch 1175, §38; 2006 Acts, ch 1016, §2, 8; 2008 Acts, ch 1178, §9, 10, 17; 2010 Acts, ch 1061, §180; 2023 Acts, ch 19, §1224; 2024 Acts, ch 1170, §467

Section amended